

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION FOR APPROVAL FOR THE CREATION)
OF THE LETCHER COUNTY WATER AND SEWER) CASE NO. 96-515
DISTRICT)

O R D E R

On November 6, 1996, the Commission received an application from the Letcher County Judge/Executive seeking approval for the creation of a water and sewer district in Letcher County, Kentucky ("Application"). Pursuant to KRS 74.012, prior to the establishment of a water district,

[A] committee of not less than five (5) resident freeholders of the geographical area sought to be served with water facilities by the proposed district . . . shall formally make application to the Public Service Commission . . . , seeking from the commission the authority to petition the appropriate county judge/executive for establishment of a water district. . . .

The Commission thus finds that:

1. As the Application was not filed by a committee of resident freeholders of Letcher County, but rather by the Letcher County Judge/Executive, the Application does not comply with KRS 74.012.
2. Even though the Application has not been approved by the Commission, a resolution establishing and creating a special district to provide water and sewer services to the residents of Letcher County was signed by the Letcher County Judge/Executive and all five members of the Letcher County Fiscal Court on September 17, 1996. Pursuant to

KRS 74.012, the establishment of a water district requires the Commission's prior approval. Again the Application does not comply with KRS 74.012.


3. Pursuant to KRS 278.015, water districts are subject to the jurisdiction of the Commission. The Commission, as an agency of the Commonwealth, is required to follow and enforce all statutes relative to its jurisdiction.

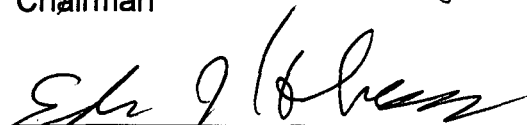
4. As a result of the above-mentioned failures to comply with KRS 74.012, the Commission must reject the Application as it was submitted. The Application will be held for a sufficient time to allow it to be amended to reflect compliance with the requirements of KRS 74.012.

IT IS THEREFORE ORDERED that the Application is rejected, but shall be held for a period of 60 days from the date of this Order to allow it to be amended to reflect compliance with the requirements of KRS 74.012. If not amended within 60 days, the Application will be dismissed and removed from the Commission's docket without further Order.

Done at Frankfort, Kentucky, this 26th day of November, 1996.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director